

March 2021

The North/Far North Center of Excellence is sharing a semi-monthly bulletin of findings on job postings, unemployment, industry measures, and other real-time data. Some data points that we have traditionally used do not reflect the current economic disruption due to COVID-19.

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SUMMARY

- Employment losses during the pandemic have primarily affected low-wage workers. In the Sacramento MSA, low-wage workers lost 28% of total employment in the category; employment losses were just over 2% for middle-income workers.
- In December, unemployment rates in the Far North counties rose 1.7 percentage points, increasing from 6.7% to 8.4%. In the Greater Sacramento (North) subregion counties, the rates rose 1.2 percentage points, climbing from 6.8% to 8.0%.
- Weekly, first-time, new unemployment claims (a potential leading indicator) swung in January, dropping in the third week to the lowest levels since the start of the pandemic.
- Labor force numbers (unemployed and employed workers) are steadily recovering. The most severe impact on those numbers is observed in the Far North, continuing a pre-pandemic trend.
- Jobs postings and industry trend data continue to reflect the disproportionate impacts of the pandemic on the hospitality sector. The region's hospitality sector recovered many jobs over April and May 2020, but the number of jobs in the sector is still down between 20% and 25% of pre-pandemic levels.
- Health care, construction, and retail have proven resilient during the pandemic recession; they recovered jobs losses by the end of the year. Employment trends in manufacturing and government are concerning; the data show lagging recovery in these sectors.

This economic update includes a detailed appendix outlining industry and jobs postings trends in construction, health care and social assistance, hospitality, manufacturing, government (public administration), and retail.

[SEE DETAILED APPENDIX HERE](#)



ITEMS TO NOTE

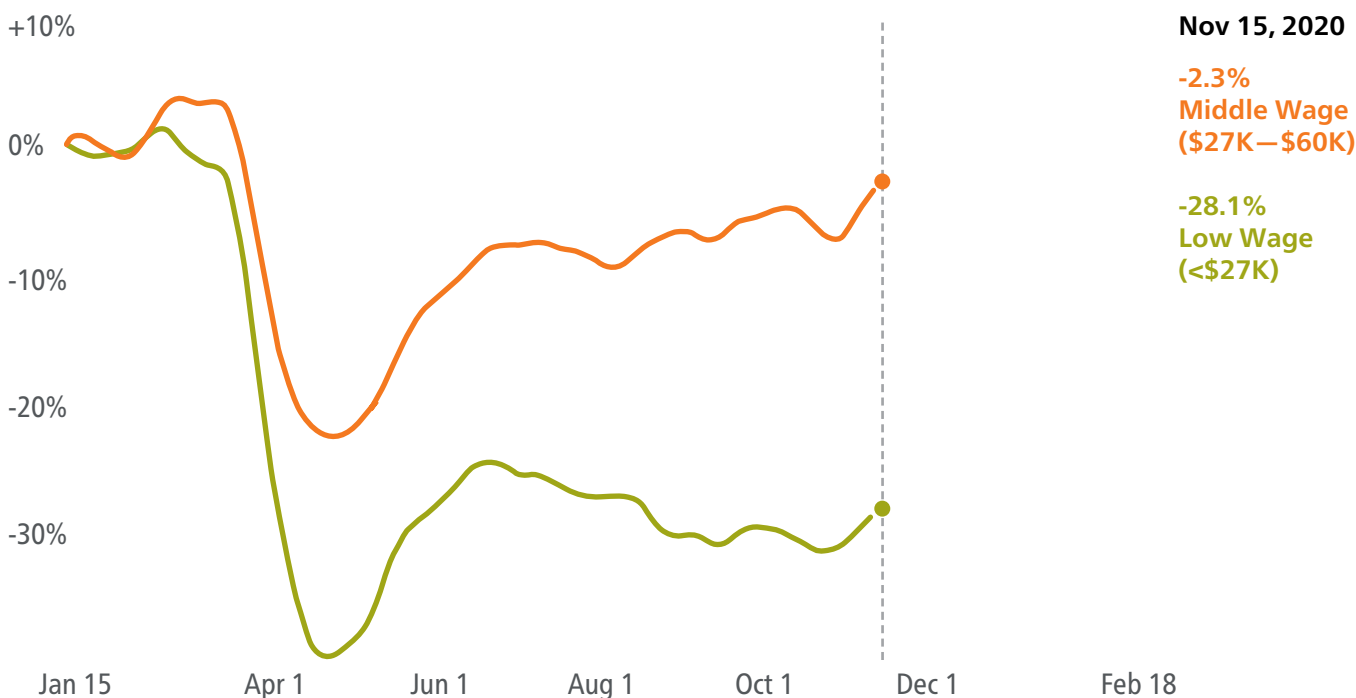
- In December, the COE for the Greater Sacramento (North) region released a needs assessment report on the mental and behavioral health workforce. The report focuses on paraprofessional pipeline positions relevant to human services, addiction counseling, and community health worker programs. [Click here for the full report.](#)
- The North/Far North COE recently completed studies for the North and Far North subregions that identify the occupations that appear to be the most resilient during the two economic downturns: the Great Recession and the current pandemic. Click here for the [North resilient jobs report](#) and the [Far North resilient jobs report](#).

COE INSIGHTS

Employment and unemployment

Employment impacts of pandemic closures have unmistakably hit low-income people and people of color hardest.¹ The graphic below from Opportunity Insights Economic Tracker displays the disparity in employment losses between low-wage workers and middle-wage workers in the Sacramento MSA (Exhibit 1). As of mid-November, workers earning less than \$27,000 a year had employment rates more than 25% lower than those earning \$27,000 to \$60,000 a year.

Exhibit 1. Percent change in employment, low-wage, and middle-wage workers, Sacramento MSA, January 15–November 15, 2020

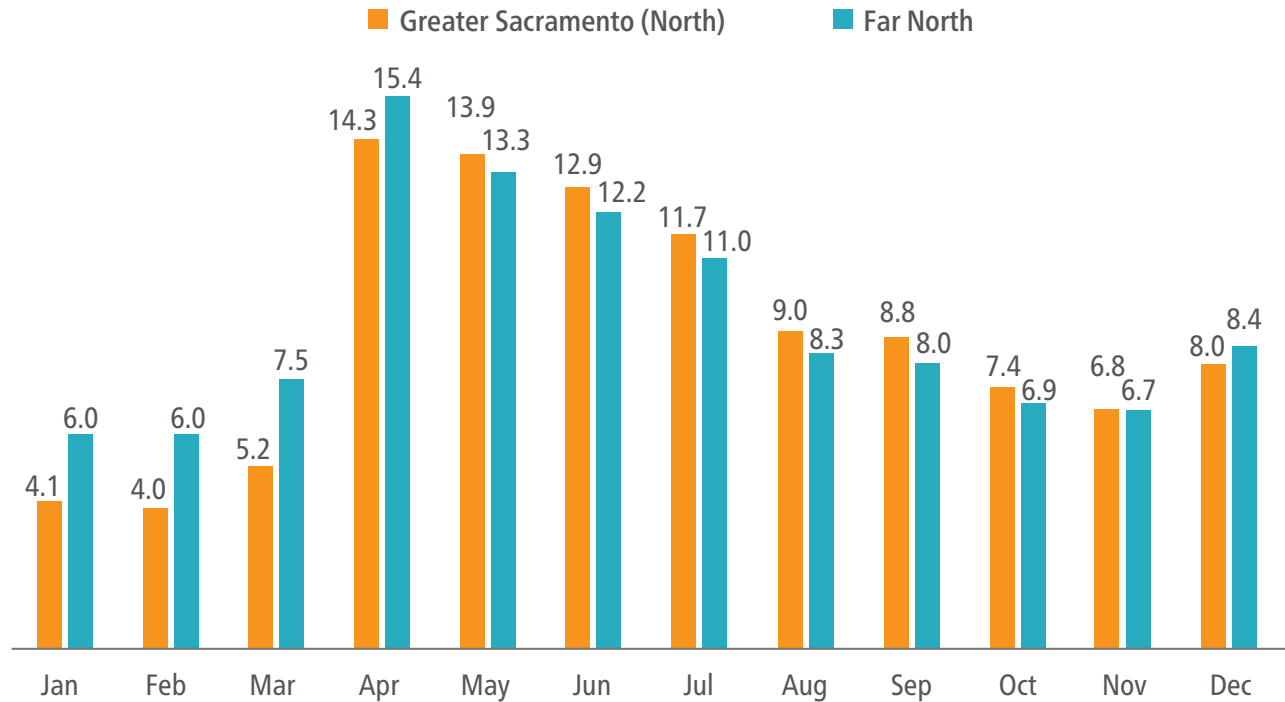


Source: Opportunity Insights Economic Tracker, <https://tracktherecovery.org/>.

¹ Little Hoover Commission, "First Steps toward Recovery: Job Training and Reskilling," Report #257, February 2021, <https://lhc.ca.gov/report/first-steps-toward-recovery-job-training-and-reskilling>. See also Abby Langston, et. al., "Race, Risk, and Workforce Equity in the Coronavirus Economy," National Equity Atlas, June 2020, <https://nationalequityatlas.org/our-work/economy/national-equity-atlas/COVID-workforce>.

After leveling off in September, and falling in October and November, unemployment rates rose in December in the North/Far North subregions (Exhibit 2). Unemployment rates in the Far North counties rose 1.7 percentage points, increasing from 6.7% to 8.4%. In the Greater Sacramento region counties, the rates rose 1.2 percentage points, from 6.8% to 8.0%.

Exhibit 2. Unemployment rates, North/Far North subregions, January-December 2020



Source: California Employment Development Department, Labor Market Information Division (LMID), Labor Force and Unemployment, <https://www.labormarketinfo.edd.ca.gov/data/unemployment-and-labor-force.html>.

Note: Unemployment rates are averaged across the counties of each subregion. Due to a lag in reporting for counties in February, January 2021 data will not be available until March 2021.



Unemployment rates tend to be higher in rural areas, but the pandemic has also severely affected these rates in urban areas. Siskiyou County, Yuba County, and Sutter County have the highest rates of unemployment in the region—rates exceeding 10% (exhibits 3 and 4). The COE continues to observe that the most populous county in the North/Far North region, Sacramento County, has higher unemployment rates than neighboring counties due to the large share of hospitality jobs in the urban core.

Exhibit 3. Unemployment rates (%), Greater Sacramento (North) counties, July–December 2020

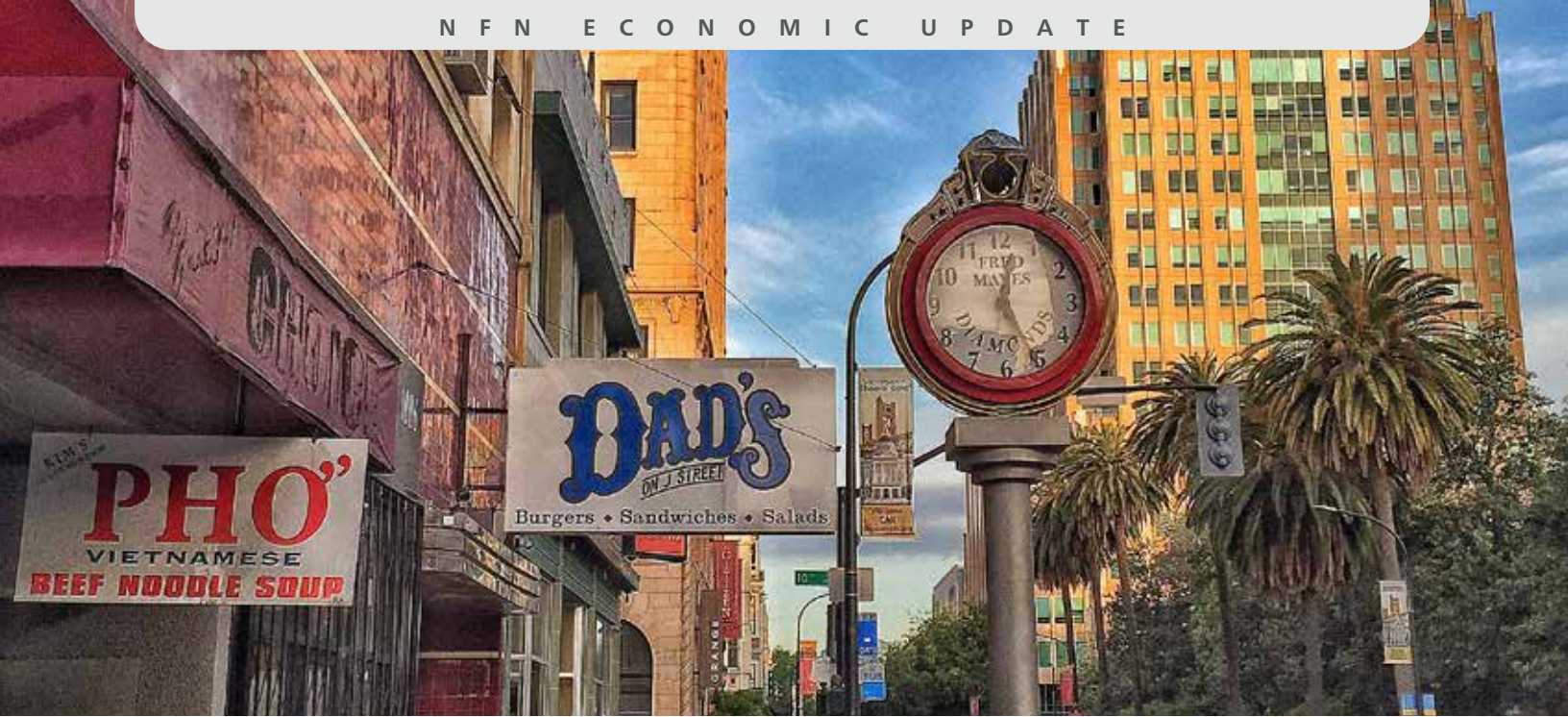
County	July	Aug.	Sept.	Oct.	Nov.	Dec.
El Dorado County	10.3	7.7	7.3	6.2	5.7	6.9
Nevada County	10.8	7.8	7.4	6.2	5.6	6.8
Placer County	9.8	7.4	7.0	5.8	5.2	6.2
Sacramento County	12.5	9.8	9.6	8.1	7.3	8.5
Sutter County	13.5	10.1	10.0	8.7	8.8	10.8
Yolo County	9.5	7.1	6.9	6.0	5.8	7.0
Yuba County	13.4	10.4	10.4	9.0	8.8	10.4

Exhibit 4. Unemployment rates (%), selected Far North counties, July–December 2020

County	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Butte County	11.2	8.6	8.4	7.2	6.8	8.2
Humboldt County	10.6	8.1	7.6	6.5	6.1	7.4
Lake County	11.7	8.5	8.5	7.4	7.2	8.9
Mendocino County	11.1	8.5	8.3	7.1	6.8	8.0
Shasta County	10.4	7.9	7.6	6.7	6.6	8.0
Siskiyou County	11.2	8.7	8.3	7.1	7.3	10.7

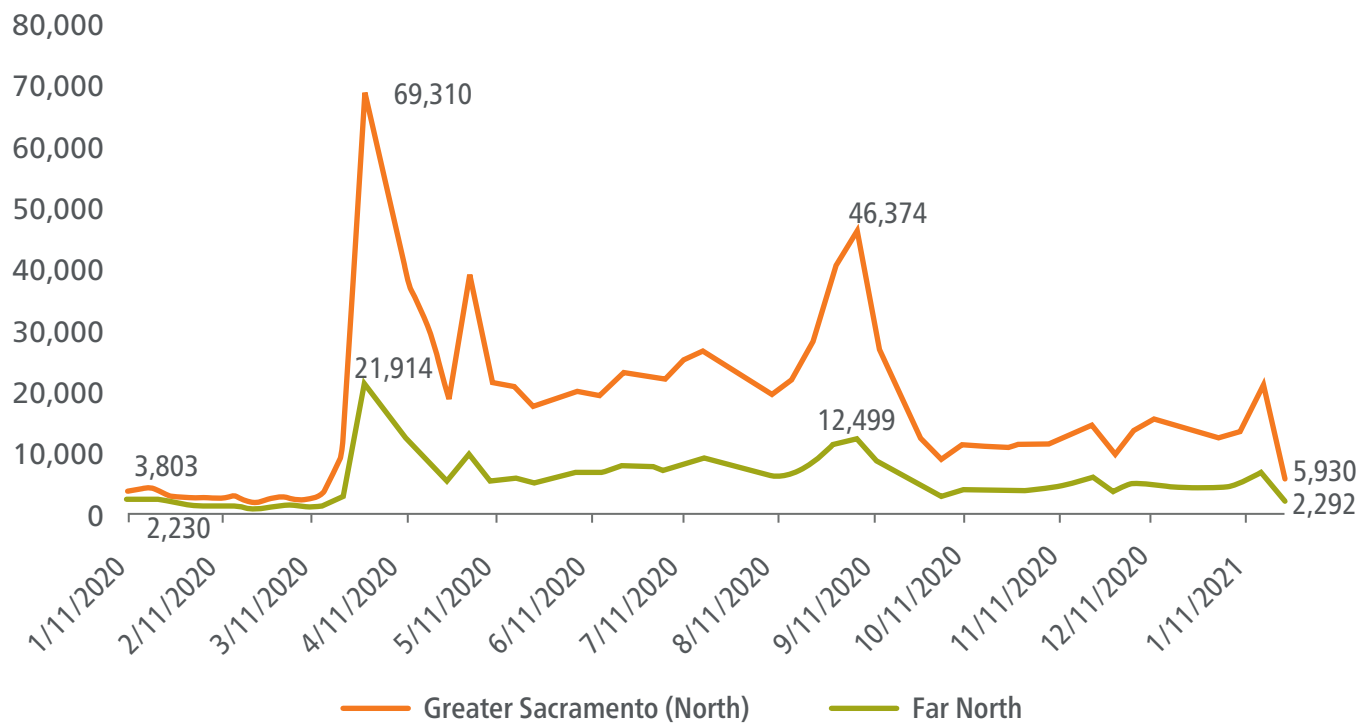
Source: California Employment Development Department, Labor Market Information Division (LMID), Labor Force and Unemployment, <https://www.labormarketinfo.edd.ca.gov/data/unemployment-and-labor-force.html>.

Note: Due to a lag in reporting for counties in February, January 2021 data will not be available until March 2021.



This month, the COE includes weekly data on initial (new, first-time) claims for unemployment insurance (Exhibit 5). Initial claims offer insight into up-to-date labor market trends from openings and closures during the pandemic. The recent dip in new claims for the third week in January could indicate a positive trend after the increase in unemployment rates in December. The spike in late August and early September could owe in part to false claims; the trend is not reflected in unemployment rates, which decreased in September and again in October.²

Exhibit 5. Weekly unemployment insurance initial claims, North/Far North subregions, Jan 11, 2020 – Jan 23, 2021



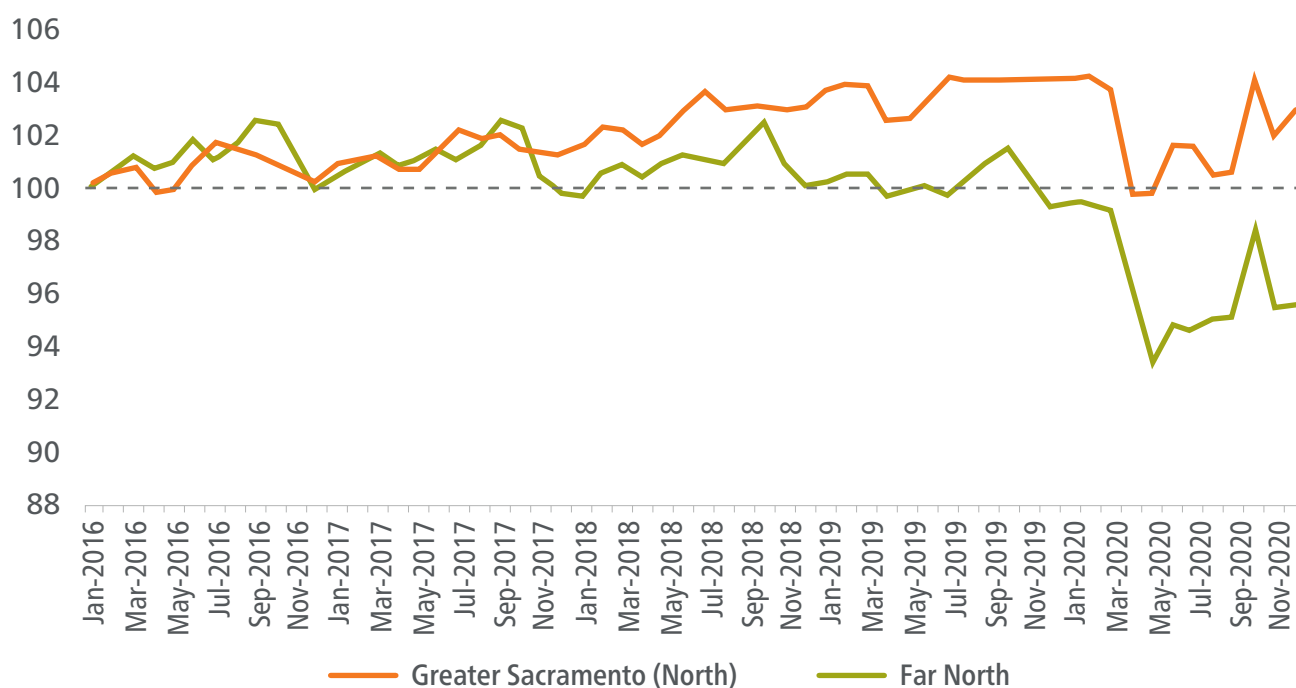
Source: California Employment Development Department, Unemployment Insurance Initial Claims by County.

² U.S. Department of Labor, "Unemployment Insurance Weekly Claims," News Release, October 1, 2020, <https://www.dol.gov/sites/dolgov/files/OPA/newsreleases/ui-claims/20201873.pdf>.

Labor force

Monthly labor force data (the sum of employed and unemployed people) continues to show a positive trend across the North/Far North region (Exhibit 6). The pandemic's impact on the Far North's labor force was severe, especially given the downward trend that began in 2018. (Retirements, outmigration, and labor force exits explain the trends.) The Greater Sacramento region's labor force numbers briefly returned to near pre-pandemic levels in October, but declined again in November and December.

Exhibit 6. Civilian labor force, North/Far North subregions, monthly trend indexed to January 2016

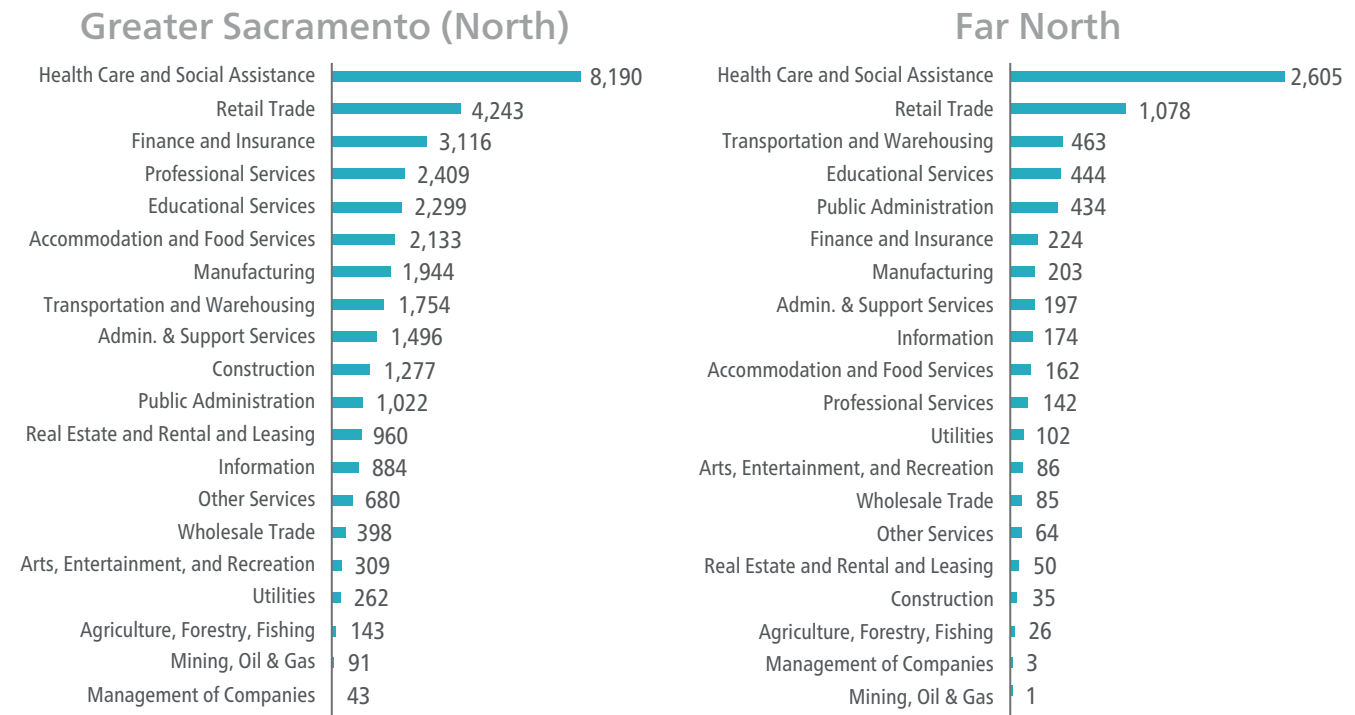


Source: California Employment Development Department, Labor Market Information Division (LMID), Labor Force and Unemployment, <https://www.labormarketinfo.edd.ca.gov/data/unemployment-and-labor-force.html>.

Industry and jobs posting trends

Between December 2020 and January 2021, there were 41,000 jobs postings in the Greater Sacramento (North) subregion (Exhibit 7). The industries with the highest number of postings were health care, retail trade, finance and insurance, and professional services. Notably, given pandemic closures, accommodations and food services registered more than 2,000 postings; many were for fast food and food service jobs. Ski resorts, casinos, and hotel employers were among the hospitality employers with the greatest number of jobs postings.

During the same period, there were 7,200 postings in the Far North, where, as in the North, the industries with the highest number of postings were health care and retail trade. They were followed by transportation and warehousing, educational services, and public administration. Accommodations and food service postings rank lower (10th) in the Far North than in the North, with just 160 postings during the two-month period.

Exhibit 7. Top industry job postings, North/Far North subregions, December 1, 2020—January 31, 2021

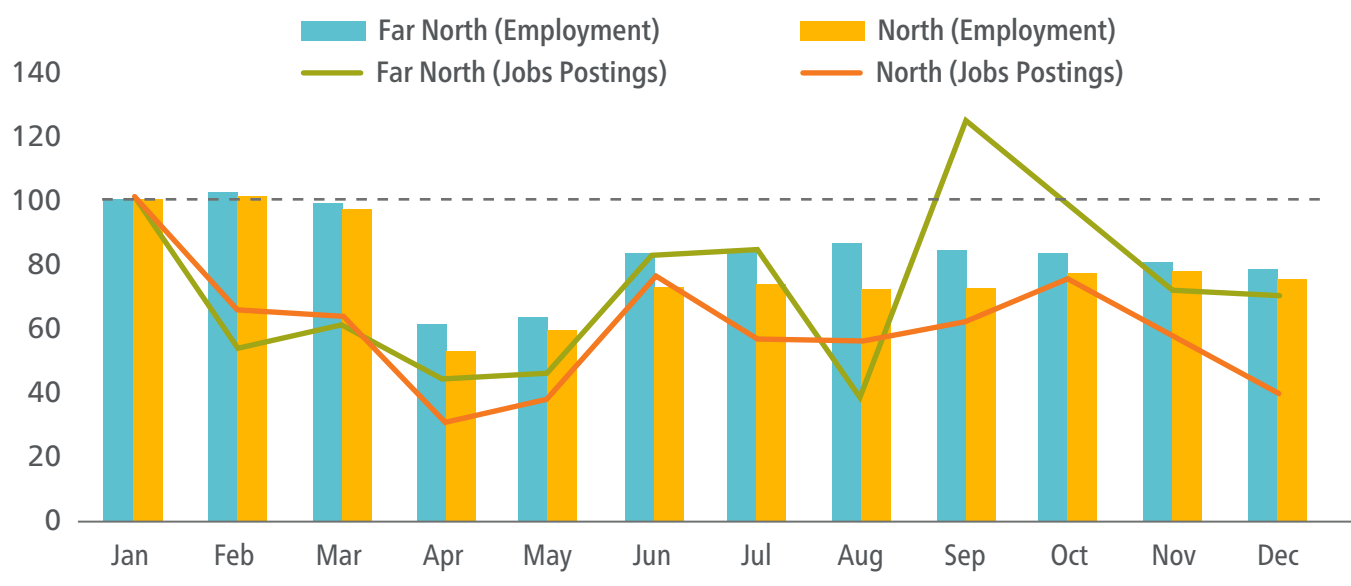
Source: Burning Glass, Labor Insight.

Some sectors have proven resilient during the pandemic recession. Construction and retail have very nearly or more than recovered jobs losses since the pandemic began (see appendix). Health care has largely recovered from employment losses in the Far North. But in the North, health care employment remains at between 92% and 94% of Q1 2020 levels. Government jobs have rebounded in the North, but have lagged in the Far North, where they are down 8.5% from January 2020 levels.

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Some sectors have had a fitful and as yet incomplete recovery. Manufacturing employment trailed off at the end of 2020 and is down between 5% and 10% from January 2020 levels. After the devastating losses of 40% and 50% of employment in the subregions in April, the hospitality sector rebounded, then recovered slowly through early fall. The sector again lost jobs in the last quarter of the year. As of December 2020, the North's hospitality sector has 25% fewer jobs than it did at the beginning of the year. The Far North fares slightly better, posting 20% fewer hospitality jobs in December. The volume of hospitality sector jobs postings has greatly fluctuated, but it is generally between 20% and 60% lower than in January 2020 (Exhibit 8).

Exhibit 8. Hospitality employment and jobs postings trends, North/Far North subregions, January—December 2020, indexed to January 2020



Sources: Employment data—California Employment Development Department, Labor Market Information Division, Current Employment Statistics (CES), <https://www.labormarketinfo.edd.ca.gov/cgi/dataanalysis/areaselection.asp?tablename=ces>. Jobs postings data—Burning Glass, Labor Insight.

Note: The employment data include monthly sample estimates for full-time and part-time non-farm payroll workers. Data are not available for every 2-digit NAICS sector. In certain cases, alternative designations are used on the basis of available data.

The appendices detail the top industries, occupations, and skills emerging from the jobs postings in several key sectors. [Click here to see the appendices.](#)

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